GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1055
ANSWERED ON:27.07.2001
INCOME TAX RAIDS ON FILM PERSONALITIES
RAMJI MANJHI

Will the Minister of FINANCE be pleased to state:

(a) whether income Tax Department carried out raids on film related personalities in Mumbai recently;

(b) if so, outcome of those raids;

(c) the action taken thereon;

(d) whether some portion of film stars, earnings were not being revealed for tax purposes;

(e) if so, the details thereof; and

(f)whether some film stars and film related personalities were involved in FERA violations; and

(g) if so, the details thereof and the action Government propose to take against them?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N.RAMACHANDRAN)

(a) Searches were carried out on Film related personalities during the Financial Year 2000-2001.

(b) The searches resulted in seizure of assets worth Rs. 522.59 lakhs and Foreign Currency of US$ 2367,UK Pound 740, French Franc 860 and UAE 360 DHM.

(c) Block assessment proceedings under the Income Tax Act have been initiated.

(d)&(e) Incriminating documents, revealing diversion of income in the name of family members and substantial investments in movable and immovable properties have been found and seized. Certain loose papers reveal lower profits/profit margin in books of accounts as compared to actual profits/ profit margins.

(f)&(g) Directorate of Enforcement has recently taken up investigations against some film stars/film related personalities for alleged involvement in FERA/FEMA. Investigations are in progress and if found guilty they will be proceeded against in accordance with law.